



# Performance and Accountability Report

Fiscal Year 2004



Homeland  
Security

# Executive Summary

## Who We Are

The U.S. Department of Homeland Security is a cabinet-level department of the Federal Government, responsible for leading the unified national effort to secure America. We prevent and deter terrorist attacks and protect against and respond to threats and hazards to the Nation. We ensure safe and secure borders, welcome lawful immigrants and visitors, and promote the free flow of people and commerce. Shortly after the Department was created in 2003, the Secretary established seven strategic goals to guide our priorities and inform our actions. These goals describe our role and responsibility to the Nation:

- **Awareness** – Identify and understand threats, assess vulnerabilities, determine potential impacts and disseminate timely information to our homeland security partners and the American public.
- **Prevention** – Detect, deter and mitigate threats to our homeland.
- **Protection** – Safeguard our people and their freedoms, critical infrastructure, property and the economy of our nation from acts of terrorism, natural disasters or other emergencies.
- **Response** – Lead, manage and coordinate the national response to acts of terrorism, natural disasters or other emergencies.
- **Recovery** – Lead national, state, local and private-sector efforts to restore services and rebuild communities after acts of terrorism, natural disasters or other emergencies.
- **Service** – Serve the public effectively by facilitating lawful trade, travel and immigration.
- **Organizational Excellence** – Value our most important resource, our people. Create a culture that promotes innovation, mutual respect, accountability and teamwork to achieve efficiencies, effectiveness and operational synergies.

To accomplish its mission, the Department is organized into five directorates:

- The **Information Analysis and Infrastructure Protection (IAIP) Directorate** identifies and assesses a broad range of intelligence information concerning threats to the Homeland, issues timely warnings and takes appropriate preventive and protective actions;
- The **Border and Transportation Security (BTS) Directorate** ensures the security of the Nation's borders and transportation systems. Its first priority is to prevent the entry of terrorists and the instruments of terrorism while simultaneously ensuring the efficient flow of lawful traffic and commerce. BTS includes the following organizational elements:
  - U.S. Customs and Border Protection (CBP);
  - U.S. Immigration and Customs Enforcement (ICE);
  - Transportation Security Administration (TSA); and
  - Federal Law Enforcement Training Center (FLETC).
- The **Emergency Preparedness and Response (EP&R) Directorate** ensures that the Nation is prepared for, and able to recover from, terrorist attacks and natural disasters;
- The **Science and Technology (S&T) Directorate** provides federal, state and local operators with the technology and capabilities needed to protect the Nation from catastrophic terrorist attacks, including threats from weapons of mass destruction; and
- The **Management Directorate** oversees the budget and expenditure of funds, financial management, procurement, human resources, information technology systems, facilities, property, equipment and other material resources, and identifies and tracks performance measures aligned with the Department's mission.

# Executive Summary

In addition to the five major directorates, the Department includes other critical components:

- The **U.S. Coast Guard (USCG)** ensures maritime safety, mobility and security, protects our natural marine resources, and provides national defense as one of the five U.S. Armed Services.
- The **U.S. Secret Service (USSS)** protects designated individuals and facilities, provides security for designated events, and investigates violations of laws related to counterfeiting and financial crimes, including computer fraud and computer-based attacks on the Nation's financial, banking and telecommunications infrastructure;
- The **U.S. Citizenship and Immigration Services (USCIS)** promotes citizenship values and provides immigration services to ensure that America continues to welcome visitors and those who seek opportunity within our shores while excluding terrorists and their supporters;
- The **Office of State and Local Government Coordination and Preparedness (SLGCP)** serves as a single point of contact for facilitation and coordination of departmental programs that impact state, local, territorial and tribal governments.
- The **Office of Inspector General (OIG)** serves as an independent and objective inspection, audit and investigative body to promote effectiveness, efficiency and economy in the Department's programs and operations.

## What We Do

The results achieved by the 180,000 men and women of the Department of Homeland Security make our country a better place to live. By ensuring our borders remain open to legitimate travel and trade but closed to terrorists, we are making the vision of a free but secure America a reality. By proactively planning for natural and man-made disasters, we will facilitate a fast recovery should they occur. Our daily activities are important in ensuring that Americans remain safe and secure in the Homeland.

*Below is a sampling of what the men and women of the Department of Homeland Security do on an average day:*

- Review more than 1,000 pieces of intelligence from the intelligence community and law enforcement agencies (IAIP);
- Meet with an average of four industry leaders to discuss new technologies to protect the Homeland (S&T)
- Process more than 1.1 million people entering our country through the Nation's airports and seaports (CBP);
- Intercept more than 19,726 prohibited items, including 5,963 knives, 120 box cutters, four firearms and 1,971 incendiary devices (TSA);
- Screen approximately 1.5 million domestic and international passengers before they board commercial aircraft (TSA);
- Make 217 arrests for immigration-related violations and 41 arrests for customs violations (ICE);
- Naturalize approximately 1,900 new citizens (USCIS);
- Protect 1,000 students in tornado-prone areas by providing their school administrators with information about how to properly construct tornado shelters (EP&R - Federal Emergency Management Agency);
- Conduct 50 port security patrols and maintain more than 90 security zones around key infrastructure in major ports or coastal areas (USCG); and
- Provide law enforcement training for more than 35,000 law enforcement officers and agents from more than 75 partner organizations (FLETC).

# Executive Summary

## About the Fiscal Year 2004 *Performance and Accountability Report*

The Department of Homeland Security's *Performance and Accountability Report* for fiscal year 2004 provides financial and performance information that enables the President, Congress and the public to assess the effectiveness of the Department's mission performance and stewardship of resources. Our annual performance-based budget request to Congress and the *Future Years Homeland Security Program* identify the resources needed to effectively and efficiently fulfill our mission to lead the unified national effort to secure America. Throughout the year, the Department managers and executives use the types of information presented in this report to help gauge performance against resources allocated by Congress. Our performance measures are used to monitor our actions and enable executives to make decisions regarding future priorities.

As a new department, we are learning more about the increasingly sophisticated risks and threats to the Nation. We have integrated our performance and financial information to guide us in implementing the most effective ways to combat these risks and threats. We continue to work aggressively to anticipate threats and develop and improve systems and technologies to protect against, counter and neutralize them. As such, this performance information helps us reassess and reprioritize resource requirements toward investments that have a demonstrable impact in mitigating the risks and threats to the Nation. We are continuing to link financial and performance information throughout the Department.

This report satisfies the reporting requirements of the following laws:

- *Federal Managers' Financial Integrity Act of 1982;*
- *Government Performance and Results Act of 1993;*
- *Government Management Reform Act of 1994;*
- *Clinger-Cohen Act of 1996;*
- *Reports Consolidation Act of 2000;*
- *Federal Information Security Management Act of 2002;* and
- *Accountability of Tax Dollars Act of 2002.*

Part I, Management's Discussion and Analysis, provides a concise overview of the entire report. It describes the Department's mission, organization and progress in implementing the strategic plan and the *President's Management Agenda*. It highlights the most important performance and financial results of fiscal year 2004 and summarizes the performance budget for the year. This section also describes the challenges that management faces and the controls and corrective actions that have been put in place to remedy material weaknesses. Also included is the Inspector General's summary of the most important management and performance challenges facing the Department. Challenges identified include:

- Consolidation of the Department's organizational elements into a single, efficient and effective department;
- Integration of the Department's procurements under one comprehensive reporting system that provides detailed and validated data to manage and report on the procurement universe;
- Management of grants to achieve prioritized national infrastructure protection needs, integration with state and local resources based on risks, and post-award administration oversight;
- Continued existence of most financial management material weaknesses and reportable conditions found in the prior fiscal year. New challenges occurred during fiscal year 2004 in financial accounting and internal controls;
- Extensive effort to develop the new Human Capital Management System and the lengthy time to complete staff security clearances;

# Executive Summary

- Integration of information systems to create a single infrastructure for effective communication and information;
- Long-term cyber threats and vulnerabilities to the Nation's critical infrastructure still need to be addressed, along with ongoing alignment of the organizational elements' security programs with overall departmental policies and procedures;
- Development of a comprehensive infrastructure threat assessment process and database;
- Border security, which continues to face formidable challenges in securing the Nation's borders;
- Transportation security in airport screening and other modes of transportation, including buses, subways, ferries and light-rail services. Maritime security challenges include restoring the Coast Guard's readiness to perform its multiple missions.

Part II, Financial Information, contains the Department's financial statements and notes. Below are some highlights from fiscal year 2004. The Department:

- Continued the transition from 19 to 10 financial management centers without impairing the fulfillment of our mission. Throughout fiscal year 2004, the accounting business lines previously provided by the departments of Commerce, Defense, Energy, Health and Human Services, Justice and Agriculture, and the General Services Administration were consolidated and are now provided in-house by ICE. This streamlining of financial management functions enables the Department to more readily access its organizational elements' financial data, conduct department-wide financial analyses and make sound financial decisions. We continue to work toward further consolidation of financial management processes and systems, where prudent.
- Developed best-in-class standard operating policies and procedures to strengthen our financial reporting practices and foster financial management excellence throughout the Department's Chief Financial Officer community.
- Conducted a business transformation, as part of our merger and acquisition efforts, by realigning more than 6,000 support services employees (both government and contractor) from the former U.S. Customs Service and the former Immigration and Naturalization Service to support 68,000 employees of CBP, ICE and USCIS.
- Established a Working Capital Fund to pay for agency-wide goods and services, which began operation in fiscal year 2004.
- Spent more than \$647 million in more than 3 million transactions since the bankcard program began in October 1, 2003. Use of these cost-effective payments has increased steadily during fiscal year 2004. As an example, August 2004 purchase cardholders spent more than \$41 million to quickly and easily buy goods and supplies to support the Department's mission.

Part III, Performance Information, contains information concerning the Department's performance relative to each of its goals and an assessment of that information's completeness and reliability. It also provides summaries of key evaluations of departmental programs and highlights the Department's budget. Below are performance highlights from fiscal year 2004. The Department:

- Introduced the Homeland Security Information Network. This computer-based counter-terrorism communications network is connected to all 50 states and 20 major urban areas. It will soon be deployed to five territories, Washington, D.C., and 30 other major urban areas. This program significantly strengthens the two-way flow of real-time threat information to state, local and private-sector partners.
- Implemented the Homeland Security Operations Center. The most comprehensive 24-hour-a-day, seven-day-a-week warning system in the United States, this center includes 35 federal and local law enforcement agencies and intelligence community members in one system.

# Executive Summary

- Processed more than 9.4 million foreign visitors as of September 30, 2004. Already the Department's US-VISIT Program has matched more than 905 people against criminal databases, which prevented more than 296 known or suspected criminals from entering the country. More than 968 were matched while applying for visas at Department of State posts overseas.
- Thwarted terrorism and protected citizens by breaking up drug smuggling networks and their assets. In 2004, almost 568,705 pounds of cocaine, 1,080,923 pounds of marijuana and 2,938 pounds of heroin were seized by homeland security entities.
- Exercised the largest commitment to port security operations by the Coast Guard since World War II. The Coast Guard has conducted more than 35,000 port security patrols and 3,500 air patrols, boarded more than 2,500 high-interest vessels, interdicted more than 11,000 illegal migrants, and created and maintained more than 115 Maritime Security Zones.
- Increased airport screener effectiveness by instituting a weekly Threat in the Spotlight training program, supported by the Federal Air Marshal Service Explosives Division, to provide the screener workforce with up-to-date information regarding threat objects and tactics. TSA also deployed simulated weapon and modular bomb set kits to every airport along with detailed protocols for training and testing the screener workforce, used covert testing to expose screeners to new threat scenarios, and conducted the annual recertification of the screeners.
- Intercepted more than 6.7 million prohibited items at airport screening checkpoints, including more than 1.9 million knives, 21,721 box cutters and more than 650 firearms. Since assuming responsibility for security at airports in February 2002, TSA screeners have intercepted more than 16.5 million prohibited items.
- Instituted nearly 100 percent checked baggage airport screening and modernized passenger screening at America's airports, certified installation of hardened cockpit doors on all 6,000 large passenger aircraft and trained the first group of armed pilots to defend the flight decks of passenger planes.
- Launched the Transit and Rail Inspection Pilot Program to determine the feasibility of screening passengers, luggage and carry-on bags for explosives in the rail environment, and initiated the Transportation Worker Identification Program to develop an integrated credential-based, identity management system, including standards, for all transportation workers requiring unescorted access to secure areas of the Nation's transportation system.
- Protected U.S. citizens against electronic and financial crimes by reducing overall losses. Through the Secret Service's network of electronic crimes task forces, it was able to prevent \$150 million in losses attributable to infrastructure investigations.
- Managed 858 reports of suspicious packages, detected 524,547 prohibited items and weapons, responded to and defended against 1,625 demonstrations and disturbances, and issued 61,721 case control numbers for follow-up investigation and response. USCIS's Federal Protective Service responded to 10 million law enforcement calls that resulted in 4,074 arrests.
- Allocated more than \$8 billion as of the end of fiscal year 2004 in overall grant funding for states and territories to enhance the abilities of their first responders to prevent, prepare for and respond to potential terrorist attacks.
- Naturalized 670,000 new American citizens, including more than 8,000 military personnel, since the Department's creation. USCIS served more than 14 million customers via its bilingual National Customer Service Center.

For fiscal year 2004, we established performance goals for each of our programs. To assess the achievement of these goals, we developed quantitative performance measures with targets. These targets were contained in the performance-based budget submitted to Congress. To better assess our performance where information was previously not available, we established baseline targets in fiscal year 2004.

# Executive Summary

A summary of our fiscal year 2004 performance against those targets is provided in the following scorecard. We report baselines that were successfully established as Performance Target Met in the graphic below. For some performance goals, the Department has established multiple performance targets.

## Fiscal Year 2004 Performance Scorecard

### Strategic Goal 1 – Awareness

The focus of this strategic goal is to identify and understand threats, assess vulnerabilities, determine potential impacts and disseminate timely information to our homeland security partners and the American public. The performance goals established by the Department to achieve Awareness are provided below.

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
Information Analysis and Infrastructure Protection Directorate (IAIP)	Products are of a high quality and reflect broadest possible view of threats, capabilities and vulnerabilities.	1- Baseline		N/A
	Establish a fully capable Command, Control, Operations and Information Exchange System.	1 - Baseline		N/A
	Increase time efficiency of issuance of information and warnings advisories by 50 percent.	1 - Baseline		N/A
	Reduce “general” warnings, as compared to “at-risk” warnings by 60 percent from 2003 levels.	1		Yes
	Threat-level information on first-tier key assets and critical infrastructure components is available to decision-makers for optimal deployment of assets.	1		N/A
Transportation Security Administration (TSA)	Fully deploy a comprehensive threat-based security management system for use in all modes of transportation, and ensure zero successful attacks against the transportation system as a result of the mishandling or misinterpretation of intelligence information received by the TSA Intelligence Service.	1		N/A
Total		6	0	



# Executive Summary

## Strategic Goal 2 – Prevention

The focus of this strategic goal is to detect, deter and mitigate threats to our homeland. The performance goals established by the Department to achieve Prevention are provided below.

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
Federal Law Enforcement Training Center (FLETC)	Ensure FLETC has the facility capacity to meet its law enforcement training requirements.	1 - Baseline		N/A
	Deploy federal law enforcement agents and officers with the knowledge and skills to effectively enforce laws and regulations, protect the Nation and interact with the public in ways that demonstrate respect for individuals and civil liberties.	1 - Baseline		N/A
	Deployment of state and local agents and officers with the knowledge and skills to effectively enforce laws and regulations, protect local communities, and interact with the public in ways that demonstrate respect for individuals and civil liberties.	1 - Baseline		N/A
Transportation Security Administration (TSA)	Ensure the safe, secure and efficient transport of passengers and property via air transportation.	1 - Baseline		N/A
	Develop and prepare for the deployment of technologically advanced systems to identify and eliminate illegally transported explosive devices, and chemical, biological, radiological, nuclear and other weapons.	1 - Baseline		N/A
	Operate as a performance-based organization for improved effectiveness and efficiency.	1 - Baseline		N/A
	TSA will develop and deploy technologically advanced systems for screening air cargo to ensure the safe and secure transport of passengers and property via air transportation.	1		N/A
	Protect the Nation's transportation system by deterring, detecting and defeating 100 percent of attempted hostile acts through the effective deployment of federal law enforcement and inspections personnel.	1		N/A
Border and Transportation Directorate – US-VISIT	Prevent entry of high-threat and inadmissible individuals through improved accuracy and timeliness of access to data in determining traveler's admissibility.	1 - Baseline		N/A
U.S. Coast Guard (USCG)	By 2009, USCG will reduce the number of collisions, allisions and groundings by 26 percent, to 1,535 (five-year average).	1		Yes
	By 2009, USCG will show a Navy Status Of Resources and Training System (SORTS) readiness level of 2 or better for all assets that may be used by combatant commanders in wartime. The Navy defines SORTS category level 2 as "Unit possesses the resources and is trained to undertake most of the wartime mission(s) for which it is organized or designed." These readiness levels will indicate that USCG is fully prepared to provide core competencies such as Maritime Interception Operations, Port Operations Security and Defense, Military Environmental Response Operations, Peacetime Engagement, Coastal Sea Control Operations and Theater Security Cooperation when requested by the Department of Defense.		1	No (Same Level)



# Executive Summary

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
U.S. Coast Guard (USCG)	By 2009, USCG will reduce the flow of illegal drugs by removing 30 percent of drug flow from maritime sources.	1- Estimated		N/A <sup>1</sup>
	By 2009, USCG will maintain operational channels for navigation, limiting channel closures to two days (during average winters) and eight days (during severe winters).		1	No
	By 2009, USCG will reduce the five-year average number of passenger and maritime worker fatalities and injuries, and recreational boating fatalities to 1,339 or less.	1- Estimated		Yes <sup>2</sup>
	By 2009, USCG will reduce the flow of undocumented migrants entering the United States by interdicting or deterring 95 percent of undocumented migrants attempting to enter the United States through maritime routes.	1		Yes
	To reduce the security risk due to terrorism in the maritime domain. (This is a new goal for which measure is in development.)		1 - Not Available	N/A
U.S. Customs and Border Protection (CBP)	Protect the Homeland from acts of terrorism and reduce its vulnerability to the threat of international terrorists. Move legitimate cargo and people efficiently while safeguarding the border and the security of the United States.	9	5  1 - Not Available	4 - No (Same Level) 6 - No 1 - N/A 4 - Yes
	Strengthen national security at and between ports of entry to prevent the illegal entry of people and contraband into the United States.	1		Yes
	Prevent the entry of terrorists, instruments of terror and contraband in shipping containers, while facilitating the legal flow of goods by pushing the Nation's zone of security beyond our physical borders to 100 percent of targeted ports, through international partnerships.	1		N/A
	Move legitimate cargo efficiently while safeguarding the border and the security of the United States.	1		Yes
	Protect the Homeland from acts of terrorism and reduce its vulnerability to the threat of international terrorists. Move legitimate cargo and people efficiently while safeguarding the border and the security of the United States. Contribute to a safer America by prohibiting the introduction of illicit contraband into the United States.	2		1 - Yes  1- No

<sup>1</sup> To more accurately reflect Coast Guard counter-drug efforts and results, beginning in fiscal year 2004, USCG transitioned to a Cocaine Removal Rate as it encompasses both cocaine removed from the market as well as cocaine seized. This measure now includes those drugs confirmed as jettisoned, sunk or otherwise destroyed, whereas the fiscal year 2003 performance actual represents only drugs that were seized.

<sup>2</sup> While final performance actuals for fiscal year 2004 performance will not be available until July 2005, USCG estimates that it will meet its targets for achieving this performance goal.

# Executive Summary

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
U.S. Customs and Border Protection (CBP)	By 2009, improve risk targeting of goods imported through the continued roll out of the Automated Commercial Environment. Meet or exceed project cost schedules. Improve application systems availability and operational efficiency to users. Maintain an unqualified opinion on the audit of financial systems. Increase the use of e-commerce throughout financial processes. Increase the delivery of training through distance learning.		1	No
U.S. Immigration and Customs Enforcement (ICE)	Federal Air Marshal Service	1		Classified
	Deny the use of airspace for implementing acts of terrorism against critical infrastructure, personnel and institutions within the United States and its territories.		1	No
	Remove 100 percent of removable aliens.	1 - Estimated		Yes
	Protect the American people, property and infrastructure from foreign terrorists, criminals and other people and organizations who threaten the United States, by increasing the percentage of cases that have an enforcement consequence.		1	No
Total		29	12	

## Strategic Goal 3 – Protection

The focus of this strategic goal is to safeguard our people and their freedoms, critical infrastructure, property and the economy of our nation from acts of terrorism, natural disasters and other emergencies. The performance goals established by the Department to achieve Protection are provided below.

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
Emergency Preparedness and Response (EPR)	Attain all annual targets in the areas of potential property losses, disaster and other costs avoided; improve safety of the U.S. population through availability of accurate flood risk data in Geographic Information System format; and number of communities taking or increasing action to reduce their risk of natural or man-made disasters.	1		Yes
	By fiscal year 2009, all Federal Executive Branch Departments and Agencies will attain and maintain a fully operational Continuity of Operations (COOP) capability to guarantee the survival of an enduring constitutional government and 75 percent of states will have established COOP plans.		1	N/A
	By fiscal year 2009, 100 percent of jurisdictions (state, tribal and county) complete self-assessments (validated through random independent verification) using mutually agreed upon baseline performance standards for responding to and recovering from all hazards, including terrorist incidents and weapons of mass destruction.		1	Yes

# Executive Summary

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
Information Analysis and Infrastructure Protection (IAIP)	In partnership with industry and government, ensure immediate interoperable and assured National Security/Emergency Preparedness converged telecommunications in all situations.	1 - Baseline		N/A
	75 percent of national strategies are implemented within year of issuance of plan in which they are outlined.	1 - Baseline		N/A
	Recommended protective actions implemented for 65 percent of first-tier priority critical infrastructure components or key assets. (Remediation and Protective Actions)	1 - Estimated		N/A
	Recommended protective actions implemented for 65 percent of first-tier priority critical infrastructure components or key assets. (Outreach and Partnership)	1 - Estimated		N/A
Federal Law Enforcement Training Center (FLETC)	To deploy international agents and officers with the knowledge and skills to fulfill their law enforcement responsibility and to help foreign nations fight terrorism.	1 - Baseline		N/A
Management Directorate	Operating entities of the Department and other federal agencies are promptly reimbursed for authorized unforeseen expenses arising from the prevention of or response to terrorist attacks.	1 - Baseline		N/A
State and Local Government Coordination and Preparedness (SLGCP)	Enhance the ability of state and local jurisdictions to develop, plan and implement a comprehensive program for weapons of mass destruction preparedness.	1 - Baseline		N/A
	By fiscal year 2009, fire departments of all types (paid, volunteer and combination) and fire departments serving all communities (rural, urban and suburban) will be better trained and equipped to respond to fires and other disasters for protection of the public and themselves from injury, loss of life and property.	1 - Baseline		N/A
	By fiscal year 2009, under the Top Officials (TOPOFF) Series, state and local homeland security agencies will have had the opportunity to test the capacity of government agencies to prevent and/or respond to and recover from multiple large-scale attacks as demonstrated by successful achievement of exercise objectives that were met. By fiscal year 2009, under the state and local exercise grant program: 1) 50 percent of jurisdictions with populations of more than 500,000 will have exercised SLGCP's common suite of combating terrorism (CT) scenarios and will have demonstrated performance within the expected range for at least 70 percent of critical homeland security tasks; 2) 25 percent of jurisdictions with populations of more than 100,000 will have exercised SLGCP's common suite of CT scenarios and will have demonstrated performance within the expected range for at least 60 percent of critical homeland security tasks; 3) 10 percent of jurisdictions with populations of more than 500,000 will have exercised SLGCP's common suite of CT scenarios and will have demonstrated performance within the expected range for at least 50 percent of critical homeland security tasks; and 4) jurisdictions that participated in exercises will have implemented at least 50 percent of the actions specified in the Jurisdictional Improvement Plans developed to address recommendations from the After Action Report.	1 - Baseline <sup>3</sup>		N/A

# Executive Summary

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
State and Local Government Coordination and Preparedness (SLGCP)	By 2009, all state and local jurisdictions will have the capability to prevent, deter, respond to and recover from acts of terrorism. Refine SLGCP's capability to continuously identify and address emerging training needs. Expand cadre of subject matter experts.	1 1 - Baseline <sup>3</sup>		N/A
	At least 90 percent of the participating urban areas will have demonstrated performance within the expected range for at least 90 percent of critical tasks.	1 - Baseline <sup>3</sup>		N/A
	By 2009, SLGCP will have implemented at least 75 percent of accepted program-related recommendations from program evaluations, and state and local jurisdictions will have implemented at least 50 percent of accepted recommendations from evaluations of exercises.	1 - Baseline <sup>3</sup>		N/A
U.S. Coast Guard (USCG)	By 2009, USCG will maintain a 97 percent observed domestic compliance rate by commercial fishermen.		1	No
	By 2009, USCG will reduce the five-year average number of chemical discharge incidents and oil spills >100 gallons to 35 or less per 100 million tons shipped.	1		Yes
	By 2009, USCG will limit foreign fishing vessel incursions into the U.S. Exclusive Economic Zone to 195 or fewer incursions.		1	No
U.S. Immigration and Customs Enforcement (ICE)	The Federal Protective Service's overall goal is to reduce the vulnerability to federal facilities and tenants by providing a safe secure environment to federal tenants and the visiting public, while maintaining our ultimate responsibility to the taxpayers. The long-term goal is to achieve a 40 percent overall measurable reduction to the threat of federal facilities.	1		Yes
U.S. Secret Service (USSS)	Protect visiting world leaders.	1		No (Same Level)
	Reduce losses to the public attributable to electronic crimes and crimes under the jurisdiction of the USSS that threaten the integrity and reliability of the critical infrastructure of the country.	1 - Baseline		N/A
	Reduce threats posed by global terrorists and other adversaries.		1 <sup>4</sup>	No
	Protect our presidential and vice presidential candidates and nominees.	1		N/A <sup>5</sup>
	Protect the Nation's leaders and other protectees.	1		No (Same Level)
	Reduce losses to the public attributable to counterfeit currency, other financial crimes, and identity theft crimes that are under the jurisdiction of the USSS, which threaten the integrity of our currency and the reliability of financial payment systems worldwide.	2		1 - No 1 - Yes
Total		23	5	

<sup>3</sup> Scenarios and metrics are being developed.

<sup>4</sup> The total number of intelligence cases closed represents an estimate of workload as opposed to a target. The Department completed all intelligence cases referred during the fiscal year in compliance with the service's critically self-imposed deadlines on intelligence cases.

<sup>5</sup> The Department met its target of providing incident-free protection for the presidential and vice presidential candidates and nominees. USSS was fully engaged with campaign 2004 candidate protection and preparation for the presidential and vice presidential debates. This measure is only applicable to campaign years; therefore, actuals were not available for fiscal year 2003.

# Executive Summary

## Strategic Goal 4 – Response

The focus of this strategic goal is to lead, manage and coordinate the national response to acts of terrorism, natural disasters and other emergencies. The performance goals established by the Department to achieve Response are provided below.

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
Emergency Preparedness and Response (EPR)	By fiscal year 2009, maximum response time for emergency response teams to arrive on scene is reduced to no more than 12 hours.	1		Yes
U.S. Coast Guard (USCG)	By 2009, the USCG will save 88 percent of mariners in imminent danger.	1		No
Total		2	0	

## Strategic Goal 5 – Recovery

The focus of this strategic goal is to lead national, state, local and private-sector efforts to restore services and rebuild communities after acts of terrorism, natural disasters and other emergencies. The performance goals established by the Department to achieve Recovery are provided below.

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
Emergency Preparedness and Response (EPR)	By fiscal year 2009, provide recovery assistance at 100 percent of the fiscal year 2009 target level for performance in non-catastrophic disasters.		1 - Baseline	N/A
Total			1	

## Strategic Goal 6 – Service

The focus of this strategic goal is to serve the public effectively by facilitating lawful trade, travel and immigration. The performance goals established by the Department to achieve Service are provided below.

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
U.S. Citizenship and Immigration Services (USCIS)	Adjudicate asylum and refugee applications in a timely, accurate, consistent and professional manner; and prevent ineligible individuals from receiving humanitarian benefits.	1	1	1 - No 1 - Yes
	Eliminate the immigration benefits application backlog and achieve a six-month cycle time standard by fiscal year 2006.	1 - Baseline		N/A
	The Citizenship and Naturalization Services program will provide citizenship and naturalization information and benefits in a timely, accurate, consistent, courteous and professional manner; and prevent ineligible individuals from receiving naturalization benefits.	1		Yes

# Executive Summary

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
U.S. Citizenship and Immigration Services (USCIS)	Provide legal permanent residency information and benefits in a timely, accurate, consistent, courteous and professional manner; and prevent ineligible individuals from receiving immigration benefits.	1		Yes
	Provide temporary residency information and benefits in a timely, accurate, consistent, courteous and professional manner; and prevent ineligible individuals from receiving non-immigrant benefits.	1		Yes
Total		5	1	

## Strategic Goal 7 – Organizational Excellence

The focus of this strategic goal is to value our most important resource — our people. We will create a culture that promotes a common identity, innovation, mutual respect, accountability and teamwork to achieve efficiencies, effectiveness and operational synergies. The performance goals established by the Department to achieve Organizational Excellence are provided below.

Organizational Entity	Performance Goal	Performance Target		Improved from FY 2003
		Met	Not Met	
Federal Law Enforcement Training Center (FLETC)	Ensure law enforcement training programs, law enforcement instructors and facilities are accredited in accordance with established law enforcement standards.	1		Yes
Management Directorate	The Department's organizational elements receive world-class policy and low-cost management support services that enable them to efficiently achieve or exceed the Department's strategic goals and meet the standards of the <i>President's Management Agenda</i> .	1 - Baseline		N/A
	The Department's organizational elements and stakeholders have world-class information technology leadership and guidance enabling them to efficiently and effectively achieve their vision, mission and goals.	1 - Baseline		N/A
Science and Technology (S&T)	Provide public safety agencies with central coordination, leadership and guidance to help them achieve short-term interoperability and long-term compatibility of their radio networks across jurisdictions and disciplines.		1 - Baseline	N/A
Total		3	1	

# Executive Summary

## Implementing the *President's Management Agenda*

The *President's Management Agenda* was launched in August 2001 as a strategy for improving the management and performance of the Federal Government. It focuses on the areas where deficiencies were most apparent and where the government could begin to deliver concrete, measurable results. The agenda includes five government-wide initiatives: Strategic Management of Human Capital, Competitive Sourcing, Improved Financial Performance, Expanding Electronic Government, and Budget and Performance Integration. In addition to these initiatives, there are 10 program-specific initiatives that apply to a subset of federal agencies. Of these, the Department participates in two: the Better Research and Development Investment Criteria and Real Property. The Office of Management and Budget regularly assesses all federal agencies' implementation of the *President's Management Agenda*, issuing an Executive Branch Management Scorecard rating of green, yellow or red for both status and progress on each initiative. The scorecard the Department received for the period ending September 30, 2004, rated the Department's status yellow on two of the seven initiatives and red on the remaining five, an improvement in one of the categories from the previous year's scorecard. Progress scores were five green and two yellow; also an improvement from the previous year's scorecard.

Status scores may be misleading to those unfamiliar with the very high standards established by the Administration. Of importance, the Department received a baseline rating of red in all initiatives when it was established in 2003. It should be noted that the ratings presented for status are not an indicator of performance, but rather the "newness" of the Department. While the statuses of some of our initiatives are red, the Department continues to demonstrate progress in implementing most government-wide initiatives and all program-specific initiatives.

A breakdown by initiative is indicated in the table below.



Under each standard, an agency is "green" if it meets all of the standards for success, "yellow" if it has achieved some but not all of the criteria and "red" if it has even one of any number of serious flaws.



# Executive Summary

In fiscal year 2004, the Department achieved results in each of the five critical management areas: Human Capital, Competitive Sourcing, e-Government, Improved Financial Performance, and Budget and Performance Integration. Of importance, in the fourth quarter of fiscal year 2004, the Department's status for Budget and Performance Integration moved from red to yellow. Our successes in each of the areas are summarized in Part I, Management's Discussion and Analysis.

## Next Steps

We will be a focused, 21<sup>st</sup> century department that coordinates the resources and efforts of the Federal Government against terrorism. We will break down the organizational impediments that have hindered past efforts. We will prevent, protect and respond to terrorist attacks on the American way of life.

While we will continue to prepare for natural disasters and other incidents, the key focus of homeland security planning, intelligence and information-gathering policies and operations will be terrorist threats to the U.S. population, transportation systems and critical infrastructure. We will provide efficient and cost-effective capabilities, build capacities on a national scale and secure domestic and international support in each of these areas.

We will continue to:

- **Share Information** – Information sharing must be ubiquitous throughout the federal, state, local, tribal, major city and private-sector environments in which the Department interacts. Our goal is to effectively and efficiently share information to support homeland security efforts with our partners.
- **Protect Our Infrastructure** – The Department is the focal point for national infrastructure protection efforts across each of the critical infrastructure sectors: physical, human and cyber. The Department will coordinate implementation of a prioritized, integrated national plan to protect both our physical and cyber infrastructure and reduce vulnerabilities.
- **Develop Cutting-Edge Technologies** – Developing new technologies is a key strategy in the Nation's war on terrorism. The Department will focus the vast scientific and technological resources of the Nation to develop new technologies designed to prevent or mitigate the effects of terrorism against the United States or its allies.
- **Manage for Results** – We will be a 21<sup>st</sup> century department, a consolidated and focused entity that integrates resources and efforts across the Federal Government – breaking down organizational barriers that have hindered efforts in the past – to prevent, protect against and respond to terrorist attacks that threaten the American way of life.